

ER-3-3713

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11 OCT 1978	By: <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px; vertical-align: middle;"></span>
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27 October 1952

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MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Payments of \$15,000 and \$10,000

1. In accordance with Attachments A and B, the Office of the Comptroller has made payments of \$15,000 and \$10,000 respectively with no provision for further accounting.

2. In order that the records of CIA may reflect compliance with the provisions of Public Law 110, Section 10b, it is requested that the attachments be approved by initialing in the spaces provided thereon.

E. R. SAUNDERS  
Comptroller

*Attachments A & B approved by the Director  
30 Oct. 52 and forwarded to Finance  
Div. 1 Nov. 52*

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*C. Chomsky*  
*2000*

Comptroller

24 October 1952

Acting Chief, Finance Division

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Inspector General's Report from [ ] (See TAB A)

1. In response to the subject report concerning unpaid vouchers for travel, overtime, moving household effects, etc., records of this office indicate that all but one travel voucher (received 10 October 1952) and two overtime and night differential claims (received 19 October 1952) have been processed. However, there have been some delays experienced in processing certain types of payments of the [ ] Station. The delays are attributable to the facts outlined below:

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2. The delay in payment of 20% differential to employees at the [ ] Station was occasioned by the fact that a Temporary Lodging Allowance in lieu of the differential was authorized to the employees upon their arrival at the Station. This Special Temporary Lodging Allowance was approved on 5 September 1951 (See TAB B) and provided for payment of \$10.00 per day for a period not to exceed 60 days or until permanent quarters were occupied. Therefore, no [ ] differential could be paid to the employee until advice was received in the Finance Division that the individual had occupied permanent quarters. Differential payments were effected in August and September when this advice was received. On 27 June 1952 a dispatch was submitted by the Station advising of the temporary lodging allowances that had been paid (See TAB C). However, at the time of its receipt, this office had requested a legal opinion from General Counsel (See TAB D) as to whether this special allowance was proper and the necessity for making adjustments of payments heretofore made if found improper. In a memorandum dated 19 August 1952 (See TAB E) (received 18 September 1952 in the Finance Division) General Counsel ruled that the payments of \$10.00 per day were improper and the Director's approval would be necessary to authorize payments heretofore made. On the same date a dispatch was written to the Station (See TAB F) advising them of the ruling but reserving adjustments pending final action of the Director. On 16 September 1952, as a result of advance warning that a ruling had been made, this Division initiated a memorandum (See TAB G) to the Chief, FE Division, advising them of the opinion and requesting advice as to whether the Division would initiate action to request the approval of the Director for past payments. The FE Division is presently preparing a staff paper on this subject for presentation to the DD/A requesting that DCI approval be given for the temporary lodging allowance payments already made by the station.

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3. Another factor which contributed to the delays was that at the time the [ ] Station was established the Finance Division was not provided with any means of direct communication with the Station. At first all correspondence was addressed to the Division rather than the field station, and the Division assumed responsibility of notifying the field of Finance activities. As of the present date, no formal notification has been received by Finance as to the manner and type of processing facilities which are to be used in communicating with the [ ] Station. However, on its own initiative and using, and a guide, pouches which had been routed to this Division, correspondence is currently prepared for direct transmittal to the Station by this Division. (At the present time there are a number of different methods by which pouchs are prepared for field stations, and considerable difficulty is experienced by this Division in obtaining advice of pouching procedures).

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4. Although the special problem occasioned by the granting of a temporary lodging allowance appears to be the principal cause which delayed payments in this case, I do not wish to conceal or gloss over the basic general cause of delay in the payment of Travel and Payroll accounts, namely, lack of personnel. We have a weekly volume of approxi-

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[ ]  
persons on duty. By comparison, our payroll and travel production per individual is considerably higher than the standards established by the Bureau of the Budget for that type of work, but not sufficient to overcome a 50% shortage in staff. We have resorted to overtime work to try to keep abreast of work in both payroll and travel, but despite this we have a backlog of [ ] accounts and certain routine payroll work is dangerously backlogged. You are already familiar with our efforts to secure more clerical personnel and know that we have taken every possible step open to us. We respectfully suggest that greater pressure must be applied on the Personnel Director to provide us with clerical personnel from the Clerical Pool, since that pool appears to have absorbed the majority of clerical personnel who enter on duty with the Agency. I cannot in all honesty promise any improvement in the elimination of payroll and travel backlogs unless and until we secure additional clerical personnel.

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Acting Chief, Finance Division